INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

No. 1716 — Washington, D. C. — January 24, 1959

USDA Issues Third Report on Effect of Trading Stamps

Food prices in retail stores that issue trading stamps have increased by an average of 0.6 percent more than they have increased in stores that do not give stamps, according to a report by USDA.

This relative price increase was less than the value of the stamps issued to consumers, USDA said, the difference being absorbed in part by economies associated with increased volume and by a decline in profit per dollar of sales for stores adding stamps.

The cost of trading stamps to retailers, exclusive of handling costs, was found to average $2.25 per 1,000 stamps, or a little more than 2 cents for each dollar of retail sales for which stamps were issued.

Data on retail prices of five food groups in 21 cities, collected by the BLS for its consumer price index, were analyzed by USDA market researchers for the period from November, 1953, to March 1957. Wide variations were found in relative price changes between stores that began to issue stamps in that period and stores that did not issue them. The effects of trading stamps and the value of premiums obtained with stamps vary from city to city and from store to store, and they may vary with time, USDA reported.

One of the five food groups studied was fruits and vegetables. On the basis of the data collected by the BLS, the index of retail prices of fruits and vegetables in nonstamp stores had risen 2.1 percent more than the index of prices in stores issuing stamps. However, for each of the four other food groups the index of prices had increased more in stores issuing stamps than in nonstamp stores. The four other food groups were cereal and bakery products; dairy products; meats, poultry, and fish; and "other" foods.

USDA also reported that, in a comparison of retail prices in five cities during one-week periods in 1957, food prices averaged higher in stamp stores than in nonstamp stores. Retail prices of canned foods were found to be one-half of 1 percent higher in stamp stores than in nonstamp stores. For all foods the retail prices averaged 2.2 percent higher in stamp stores than in nonstamp stores.

The data for this comparison were obtained in 16 stamp and 15 nonstamp chain and large independent stores in five midwestern and eastern cities during 1957. USDA cautioned that the difference in prices may have been influenced by other factors, such as differences in services provided or in price differences that existed prior to the issuance of stamps.

The report is the third issued by the Agricultural Marketing Service on the effect of trading stamps on marketing practices, costs, and efficiencies. Copies of the report, *Trading Stamps and Their Impact on Food Prices* (Marketing Research Report No. 295), may be obtained from the Office of Information, U. S. Department of Agriculture, Washington 25, D. C.

U. S. Expenditures for Agriculture during Fiscal 1959-60 To Comprise One of the Major Items in the Federal Budget

In the President's budget, submitted to Congress on January 19, expenditures for agriculture and agricultural resources are surpassed in magnitude only by outlays for national security and for interest on the public debt.

Of the total of $77 billion in appropriations estimated for fiscal 1960, 59.5 percent would go to major national security programs and 10.5 percent to interest on the debt, and 7.8 percent to agricultural programs.

Taking into account also the budget for veterans services and benefits, the cost of past wars and current defense preparations accounts for almost 77 percent of the President's total budget. Agriculture accounts for one-third of the remaining 23 percent for "civilian" expenditures.

The President's budget message said that "the agricultural sector of our economy is in the paradoxical situation of having more efficient farms than ever before and yet of being more dependent upon federal financial aid."

Budget expenditures for agriculture during the current fiscal year are expected to reach a peak of $6.8 billion, and for the coming year are estimated to decline to about $6 billion, mainly as a result of the termination of the acreage reserve.

About three-fourths of the expenditures for agriculture are for "price supports and other programs to stabilize farm prices and income." The President's message said that legislation will be proposed "to make badly needed changes in the price support system." Also, legislation extending P. L. 480 and the Sugar Act will be proposed.

The President's budget proposes appropriation of $100 million for Section 6 purchases for the National School Lunch Program, as compared with $110 million plus $35 million transferred from Section 32 for the current year.

Food and Drug Administration

For the FDA the President estimated that an increase of about $1 million will be needed in fiscal 1960 "to enable this bureau to augment its staff of scientists and inspectors." The proposal would permit the employment of about 200 additional employees, some of whom would be for the new district office to be opened in Dallas.

The total proposed for the FDA is $13 million, compared with $12.3 million expected to be spent during this fiscal year.

Fish and Wildlife Service

For the Bureau of Commercial Fisheries the budget proposes $21.4 million, an increase of about $3.4 million over estimated expenditures during the current year. Part of the increase is $3 million requested as part of the additional authorization under the fishery loan program. An increase was proposed also for fishery research.

Department of Commerce

New obligational authority recommended for the Commerce Department

totals $559 million, an increase of $85 million over fiscal 1959. The major increases are $79.5 million for the 1960 census of population and $55 million "to initiate a proposed program for loan and technical assistance to areas of substantial and persistent unemployment." Portions of the total increase for the Department would be offset by transferring budget accountability to other government agencies. One such transfer is the shift of about $1.7 million from the BDSA to the Office of Civil and Defense Mobilization. Except for that transfer of funds, the funds requested for the BDSA would be the same amount available in the current year, providing for continuing the industry divisions.

Taxation of Cooperatives

Included in the President's recommendations for obtaining federal revenues from new sources, in his budget message of January 19 and his economic message of January 21, was a proposal to "enact corrective legislation relating to taxation of cooperatives." On January 19 the Secretary of the Treasury sent the following letter to the chairmen of the House Ways and Means Committee and the Senate Finance Committee:

My dear Mr. Chairman:

In testimony before your Committee on January 16, 1958, I pointed out that the proper taxation of cooperatives continues to be a troublesome problem. As you know, a series of court decisions have made largely ineffective the 1951 legislation which was intended to assure that all cooperative income was to be taxed either to the cooperative or to its members as it was earned. Treasury rulings under which all patronage refunds in the form of certificates were held to be taxable at the face value have been held invalid where the certificates do not have a determinable market value. Thus, it is possible for the cooperative to receive a deduction in computing its taxable income while its members are not taxable on the certificates they receive.

As I stated in my testimony, while we are fully aware of the important place which cooperatives occupy in the life of our agricultural and farming communities, we believe that, as was contemplated in the 1951 legislation, some single tax liability should be assumed by all who participate in the business activities of the country and that legislation should be developed [illegible] such a tax and at the same time is fair and reasonable from the standpoint of the members and the relative availability of retained earnings for expansion.

We suggest that your Committee consider a method of taxation under which the tax-free retention of income would be limited to three years. Under this method cooperatives would be permitted to deduct amounts paid to the patron during the taxable year if paid (1) in cash or (2) in the form of "qualified" patronage certificates. A qualified certificate must bear interest at the rate of at least four percent, must by its terms be redeemable in cash within three years after the close of the year in which issued, and must in fact be redeemed in cash within the three-year period. The cooperative would not be permitted a deduction in respect of non-qualified certificates, such as certificates redeemable within a period in excess of three years or bearing interest at a rate of less than four percent, until the document is redeemed in cash.

The patron would be required to include in his income only the cash amounts received, either as current cash distributions or on redemption of qualified or non-qualified certificates.

Thus, all distributions of cash, including redemptions of non-qualified documents, would be deductible by the cooperative and taxable to the patron. In order to insure that the single tax is collected at ordinary income tax rates, it would be necessary to treat amounts received upon redemption and upon the sale or exchange of redeemable certificates as ordinary income rather than capital gain.

You may wish to consider other methods of achieving a single tax liability for cooperative income. A number of alternative methods have been suggested and we shall be glad to weigh and consider the merits of these various proposals during the course of the deliberations of your committee. In connection with the selection and development of legislation that is reasonable and fair, the staff of the Treasury will continue to work cooperatively with the staff of your committee.

86th Congress Organizes; Committees Are Appointed

The 86th Congress has completed its organization and standing committees have been appointed. Following are the members of the Senate and House Agriculture Committees and the Labor Committees:

Senate Agriculture Committee

Senators Ellender (La.), chairman, Johnston (S. C.), Holland (Fla.), Eastland (Miss.), Humphrey (Minn.), Symington (Mo.), Talmadge (Ga.), Proxmire (Wis.), Jordan (N. C.), Young (Ohio), Hart (Mich.), and

Senators Aiken (Vt.), Young (N. D.), Hickenlooper (Iowa), Mundt (S. D.), Williams (Del.), and Schoeppel (Kans.).

House Agriculture Committee

Representatives Harold Cooley (N. C.), chairman, W. R. Poage (Texas), George M. Grant (Ala.), E. C. Gathings (Ark.), John L. McMillan (S. C.), Thomas G. Abernethy (Miss.), Carl Albert (Okla.), Watkins M. Abbitt (Va.), James G. Polk (Ohio), Clark W. Thompson (Texas), Paul C. Jones (Mo.), Harlan Hagen (Calif.), Lester R. Johnson (Wis.), Ross Bass (Tenn.), Pat Jennings (Va.), D. R. Matthews (Fla.), George S. McGovern (S. D.), Merwin Coad (Iowa), J. Floyd Breeding (Kans.), Frank A. Stubblefield (Ky.), Harold B. McSween (La.), Earl Hogan (Ind.); and

Representatives Charles B. Hoeven (Iowa), Paul B. Dague (Pa.), Page Belcher (Okla.), Clifford G. McIntire (Maine), Henry A. Dixon (Utah), Wint Smith (Kans.), Charles M. Teague (Calif.), Albert H. Quie (Minn.), Delbert L. Latta (Ohio), Catherine May (Wash.), Alexander Pirnie (N. Y.), and Don L. Short (N. D.).

House Education and Labor Committee

Representatives Graham A. Barden (N. C.), chairman, Adam C. Powell (N. Y.), Cleveland M. Bailey (W. Va.), Carl D. Perkins (Ky.), Roy W. Wier (Minn.), Carl Elliott (Ala.), Phil M. Landrum (Ga.), Edith Green (Ore.), James Roosevelt (Calif.), Herbert Zelenko (N. Y.), Frank Thompson, Jr. (N. J.), Stewart L. Udall (Ariz.), Elmer J. Holland (Pa.), Ludwig Teller (N. Y.), John H. Dent (Pa.), Roman C. Pucinski (Ill.), Dominick V. Daniels (N. J.), John Brademas (Ind.), Robert N. Giaimo (Conn.), James G. O'Hara (Mich.); and

Representatives Carroll D. Kearns (Pa.), Clare E. Hoffman (Mich.), Albert H. Bosch (N. Y.), Joe Holt (Calif.), Stuyvesant Wainwright (N. Y.), Peter Frelinghuysen, Jr., (N. J.), William H. Ayres (Ohio), Robert P. Griffin (Mich.), John A. Lafore, Jr. (Pa.), and Edgar Hiestand (Calif.).

Senate Labor Committee

Senators Hill (Ala.), chairman, Murray (Mont.), Kennedy (Mass.), McNamara (Mich.), Morse (Oreg.), Yarborough (Texas), Clark (Pa.), Randolph (W. Va.), Williams (N. J.); and

Senators Goldwater (Ariz.), Cooper (Ky.), Dirksen (Ill.), Case (N. J.), Javits (N. Y.), and Prouty (Vt.).

Hawaii Statehood

One of the first actions of the new Congress is the scheduling of hearings on Hawaii statehood by the House Committee on Interior and Insular Affairs, beginning January 26.

Stocks of Canned Foods on Jan. 1 and Season Shipments

Reports on canners' stocks of canned asparagus, apples, applesauce, and RSP cherries on January 1 and season shipments to that date have been issued by the N.C.A. Division of Statistics.

	Carry-over month	Case basis	Supply 1957-58	Supply 1958-59	Canners' Stocks Jan. 1 1958	Canners' Stocks Jan. 1 1959	Season Shipments to Jan. 1 1958	Season Shipments to Jan. 1 1959
			(thousands of cases)					
Asparagus	March	actual	8,613	9,185	2,961	2,795	5,652	6,389
Apples	Sept.	6/10	4,261	4,367	3,012	2,523	1,249	1,844
Applesauce	Sept.	actual	14,996	16,975	9,748	10,667	5,248	6,308
RSP cherries	July	actual	3,805	2,851	1,080	1,206	2,125	1,645

Dry Beans under USDA Support Reported Above A Year Ago

In a summary of price support activities on 1958 crops, USDA reports that nine crops are moving under support in larger volume this year than last. Of 10 crops under support, the volume secured by price support is below last year for only one, barley.

The other nine crops, for which the volume under loan or purchase agreement is above a year ago, are wheat, corn, grain sorghums, soybeans, oats, flaxseed, rice, rye, and dry edible beans. Following is a summary of the quantities of 1958-crop grains under support on December 31, 1958, compared with a year earlier:

	Dec. 15, 1957	Jan. 15, 1958	Dec. 31, 1958
	(thousands)		
Wheat....bu.	184,987	209,615	489,146
Corn....bu.	13,730	80,553	108,560
Grain sorghums..cwt.	49,713	101,204	99,958
Soybeans....bu.	41,104	58,225	97,684
Barley....bu.	94,961	111,953	75,469
Oats....bu.	38,781	44,384	60,211
Flaxseed....bu.	2,144	2,553	8,968
Rice....cwt.	4,646	6,086	7,265
Rye....bu.	5,078	6,015	7,246
Dry edible beans..cwt.	1,874	2,037	2,790

Dry Edible Beans

Through December 31, 1958, dry beans from the 1958 crop under support totaled 2,789,586 hundredweight. Most of this total was from the following six states: 93,156 hundredweight in California, 332,492 hundredweight in Colorado, 313,366 hundredweight in Idaho, 739,026 hundredweight in Michigan, 601,321 hundredweight in Washington, and 454,851 hundredweight in Wyoming. Of the total put under, 111,827 hundredweight had been redeemed, mostly in the same six states: 3,225 hundredweight in California, 13,054 hundredweight in Colorado, 26,071 hundredweight in Idaho, 28,541 hundredweight in Michigan, 15,359 hundredweight in Washington, and 24,720 hundredweight in Wyoming.

USDA Lists Zoning Devices To Protect Agricultural Land

Zoning, a legal device by which conflicting land uses and activities are separated, is being used increasingly to protect agriculture, according to the USDA. In a new 58-page bulletin on *The Why and How of Rural Zoning*, the USDA reports that many U. S. counties already protect productive agricultural lands by putting fertile areas in farm zoning districts.

One aim of agricultural zoning has been and should continue to be to find alternative areas of less fertile soils that can be used satisfactorily for nonfarm purposes, thus preserving the most fertile soils for agricultural production, it is pointed out.

Rural land is rated by USDA in eight broad classifications. A recent survey showed that about 17 million acres in these four classes were diverted to nonfarm uses during the past 15 years. About 500,000 acres of these lands have been diverted each year directly to urban and suburban uses, including scattered nonfarm homesites. Much of the land taken has been the flattest, least erodible, and most productive farmland, USDA said.

When alternative lands of different soil capabilities are available and both are suitable for nonfarm use, the community has a choice, and timely and appropriate action will prevent the loss of fertile lands and will not prevent healthy suburban-industrial growth, according to USDA.

The USDA lists four types of zoning regulations which can be shaped to fit the needs of agriculture. They are "use" laws that restrict the use to which land can be put, building-tract regulations that set lower limits on the size of building lots or tracts, building height regulations, and density-of-population laws that can be used either to prevent dangerous overcrowding on land or wasteful scattering of the population.

1958 Packs of Fruit Cocktail, Fruits for Salad, Mixed Fruits

Reports on the 1958 packs of canned fruit cocktail, fruits for salad, and mixed fruits in California have been republished by the N.C.A. Division of Statistics. Following are the state totals, with comparisons:

	1957	1958
	(actual cases)	
Fruit Cocktail	14,883,778	15,106,618
Fruits for salad	1,172,379	839,417
Mixed fruits	279,360	288,534

Source: Cling Peach Advisory Board of California (audited report).

1958 Pack of Canned Peaches

The 1958 pack of canned peaches totaled 28,395,159 actual cases compared with the 1957 pack of 28,135,788 cases, according to a report by the N.C.A. Division of Statistics.

On the basis of standard cases of 24/2½'s, the 1958 pack amounted to 24,806,100 cases compared with the 1957 pack of 23,877,130 cases.

State	1957	1958
	(actual cases)	
Michigan	433,011	551,485
Southeast	469,255	894,036
Northwest	371,162	1,348,371
California, total	20,097,931	25,341,302
Cling	21,934,597	20,151,169
Elberta	4,515,405	4,855,771
Other free	247,929	334,362
Other states	164,429	259,943
U. S. Total	28,135,788	28,395,159

Southeast includes Ga., N. C., S. C., Va., and W. Va. Northwest includes Wash., Ore., and Idaho.

1958 Pack of Canned Salmon

The 1958 pack of canned salmon in the Pacific Northwest and Alaska totaled 3,639,500 cases (48 1-lb. cans) compared with the 1957 pack of 3,184,900 cases, according to a report by the Fish and Wildlife Service. The 1958 pack was the largest since 1954 when 4.2 million cases were packed.

1958 Pack of Canned Tuna

The 1958 pack of canned tuna in the United States and the Territories totaled 14.3 million standard cases (48 halves) compared with the 1957 pack of 11.9 million cases, according to a report by the Fish and Wildlife Service. The 1958 pack was record large, exceeding the previous high, set in 1957, by 20 percent.

USDA Plentiful Foods List

The USDA Plentiful Foods List for March includes canned peas, for the fourth month, and potatoes, celery, cabbage, dry beans, apples, milk, eggs, turkey, pork, lard, honey, and peanut products.

Redbook

"Mexican Cooking," an article featuring selected recipes from a new cookbook, "Elena's Secrets of Mexican Cooking" by Elena Zelayeta, appears in the January issue of *Redbook* magazine. A wide variety of canned foods is included in the recipes.

Miss Zelayeta says the purpose of her cookbook is "to convince everyone that Mexican dishes may be served harmoniously with American ones, and that even one Mexican dish can do much to add interest to what might otherwise be a very dull meal."

Canned foods used in the article are appetizers and soups—crab meat, tomato juice, catsup, tomato sauce, tomatoes, mushroom stems and pieces; vegetables and salads—pimientos, sliced mushrooms, sardines, kidney beans, asparagus tips.

Also, main dishes—green chilies, tomato juice, tomatoes, pimientos, button mushrooms, tomato sauce, shrimp, whole baby clams, crushed pineapple, kidney beans; and desserts and beverages—crushed pineapple, pineapple juice, orange juice.

The nine-page article is attractively illustrated with a two-page color photograph and colored illustrations.

Parade

Canned pumpkin was to be featured in the January 25 food article in *Parade* magazine. Food Editor Beth Merriman has entitled her article "Pumpkin-pecan: a delicious new pie."

Miss Merriman's introduction says, "Pecan Pie is a prime favorite in the South; pumpkin pie is one of New England's prized desserts. Blend them into one superb pie, add the sweet-sharp flavor of orange juice and you have something brand-new, yet sure of popularity.

"And it's easily done, in today's streamlined way. First make the pie shell—with failure-proof mix. Then scoop golden pumpkin from can to bowl. Open two more cans, one of milk and one of concentrated orange juice. Add a can of whole pecan meats ready to use. And that takes care of most of the work, most of the makings."

The American Weekly

On January 25, *The American Weekly*, popular Sunday supplement magazine, was to carry the article entitled "Soup Plus" by Amy Alden, food editor. Canned soups plus meat, fish and vegetables were featured in the recipes as hearty winter supper dishes.

Miss Alden described the recipes as "Flavorful, tempting soup-stews which can be made in minutes instead of hours—thanks to convenience foods." The five hearty soups included canned tomato, cream of celery, onion, pea, and vegetable soups and chicken broth. Other canned foods used in the recipes are tuna, tomatoes, beets, chicken or turkey, chick peas, peas, corn, and shrimp.

The article was attractively illustrated with color photographs showing bowls of soup and some of the ingredients used in the soups.

Institutions Magazine

The January Purchasing and Planning Annual of *Institutions* magazine is a year-round guide geared to the needs of the institutional buyer. A section on "What the operator needs to know about fruit" written by Alberta M. Macfarlane, food and equipment consultant, appears in the annual.

Miss Macfarlane says, "Fruits bear the hallmark of being distinctly popular with both young and old. Whether as appetite teasers or appeasers, they fit into any course on the menu. Many operators are cashing in on this versatility and popularity by featuring fruit in one form or another on all daily menus." The N.C.A. is one of the nine organizations listed as cooperating. The Consumer Service Division conferred with Miss Macfarlane and supplied information for her use.

Included in the section is an article, "Selecting Canned Fruits," and many of the recipes use canned fruits. Headings in the article are Advantages of Using Canned Fruits, Special Dietetic Canned Fruits, Purchasing of Canned Fruits, and Storage of Canned Fruits. A table shows the approximate net weights and cups for the various sizes of canned fruits and juices.

About canned fruits, Miss Macfarlane says, "Canned foods were the first prepackaged foods on the market. The amount of canned fruits (and other canned foods) used in quality food operations is still at an all-time high. The demand continues to grow, notwithstanding the development of other methods of food preservation and packaging.

"To realize the major role played by canned fruits in quantity food operations, one need only cast his eye over the shelves in any such storeroom. Here will be found an inviting array of appetizing fruits too numerous to mention. Served plain or in combination with other foods, they assist in providing versatile menu selections that are pleasing to all. They fit into every course on the menu from appetizers to desserts."

A total of 33 canned fruits and juices are used 89 times in recipes and recipe suggestions. Included are canned applesauce, apples, apricot nectar, apricot puree, apricots, spiced apricots, blueberries, boysenberries, bing cherries, red tart pitted cherries, spiced crabapples, cranberry juice cocktail, cranberry sauce, fruit cocktail, gooseberries, grape juice, grapes, spiced grapes, grapefruit juice, lemon juice, peaches, spiced peaches, pears, spiced pears, pineapple, pineapple juice, purple plum puree, purple plums, spiced purple plums, raspberries, raspberry juice, rhubarb, and strawberries.

Woman's Day Magazine

Canned foods are used extensively in the January issue of *Woman's Day* magazine. A feature for the overweight emphasizes "a high-protein, high-fat, low-cost diet with menus and recipes." The article is written by George L. Thorpe, M. D., and seven days of menus and recipes were prepared especially by *Woman's Day* Kitchen. The menus and recipes use canned foods 22 times. Most of the canned foods in this article are water-packed fruits or low calorie vegetables and juices.

Another article, "What Every Woman Should Know About Leftovers," presents 12 basic recipes by the food editors, that can be made with any leftover cooked meat or poultry. "Multiplication gives you variety. Because the 12 recipes are completely flexible, you can produce more than 100 different main dishes. If you multiply 12 by turkey, chicken, duck, beef, veal, ham, pork, lamb, tongue and sausage, you'll see that you have 120 possibilities." Canned foods are used in all but one of the recipes. There are 17 uses of canned foods in the article. Each recipe is shown in color as it is completed and ready to serve.

A third article entitled "Wonderful, Wonderful Onions" makes 12 uses of canned foods in the recipes.

FDA Personnel Changes

The Food and Drug Administration has announced these personnel changes:

Dr. Oral Lee Kline has been named to head the Division of Nutrition. He was director of research in that division from 1947 until late last year, when he was named to head the Division of Food. In the new position as head of the Division of Nutrition he succeeds Dr. E. M. Nelson, who died December 24. As head of the Division of Nutrition Dr. Kline will direct FDA's research programs and serve as adviser to the Commissioner on consumer problems involving nutrition.

Dr. Henry Fischbach was named to head the Division of Food. With the FDA since 1939, he has been assistant to the Director of the Bureau of Biological and Physical Sciences, which includes the Divisions of Nutrition and Food and five other scientific divisions. As head of the Division of Food, Dr. Fischbach will direct FDA's research and investigation in the fields of food technology and methods of analysis as related to consumer protection.

Dr. Leo Friedman has been designated Director of Research for the Division of Nutrition. Since 1950 he has been chief of the Biological Branch of the Division of Nutrition, in which position he conducted and supervised research in biochemistry and nutrition, with particular interest in bio-assay methods for determination of vitamins, nutritive value of protein foods, and the effect of additives on nutritive value of foods.

Costs of Aerial Spraying

Typical costs of dusting or spraying crops from an airplane have been estimated by a USDA economist.

For example, the typical hourly cost of dusting or spraying from a 150-horsepower two-seated plane is estimated to be $28.88 if the applicator uses his plane for 200 hours of flying time annually, and $24.14 if the flying time is 400 hours annually.

Costs per hour can be translated into costs per acre, but allowance must be made for variables such as ferry time between airfields, lost time from airfield to job, and differences in rates of application of the material being released, which may be seed, fertilizer, or pesticides.

Meeting on Standards for Fruit Juice Drinks

The N.C.A. Committee on Standards for Fruit Juice Drinks will meet at the Convention, at 10 a.m. Sunday, February 22, in Room 19 of the Hilton Hotel. Canners having an interest in standards of identity for these products are invited to attend and present their views.

McCall's

The major food article in the January issue of *McCall's* magazine spotlights canned foods. The eight-page article entitled "Head Start On Dinner" features convenience foods and most of the recipes use canned products. The article includes 32 recipes and is attractively illustrated with color photographs of many of the prepared canned food dishes. The background of the photographs is *The Almost Complete Canner*, one of the Consumer and Trade Relations publications, which was recently sent to food editors.

In introducing the article, Food Editor Helen McCully says, "When *you* feel like having a dish of sauerkraut, you just open a can. But when the cook of fifty years ago had the same impulse, it took her a minimum of three days to prepare her 'kraut.' If Sardine Toast With Cheese Sauce seems like a pleasant idea for the children's lunch, it's as good as on the table when you open a can and open a bottle. At 5 p.m. you say to yourself, 'Peach cake would be nice for supper,' so you open a can and open a box and the cake is practically in the oven. With a supply of the marvelous modern convenience foods in the pantry, you always have a head start on any meal—whether it's breakfast, lunch, dinner."

Included in the ingredients of the recipes are 48 uses of canned foods. The canned foods used are applesauce, asparagus, bouillon, carrots, catsup, chicken, chicken-vegetable soup, chili sauce, consomme, corn, corned beef, crab meat, cream of celery soup, cream of chicken soup, deviled ham, evaporated milk, fruit cocktail, lemon juice.

Also used are mincemeat, mushrooms, onions, peaches, pears, peas, potatoes, salmon, sardines, sauerkraut, Spanish style rice, spiced pork, sweetpotatoes, tomato juice, tomato paste, tomato puree, tomato soup, tomatoes, and tuna.

Important Publicity Given Canned Foods by Steel Firms

The many virtues of canned foods are being widely publicized this week and in the immediate future by two of the important tinplate companies—National Steel Corporation and Kaiser Steel Corporation.

National's medium is color print advertising in four large newsstand magazines, totaling about 7⅛ million circulation. The first of these appeared in the January 16 issue of *U. S. News & World Report* followed by the January 24 *Saturday Evening Post*, and is scheduled for the January 31 *Business Week*, February 2 *Newsweek*. Nineteen canned foods are illustrated and the major fruits and vegetables are included. The text cites peak of flavor and nutrition, research by the canning industry that has resulted in finer strains, more varieties, better taste. Convenience, ease of preparation, economy and variety are pointed out. N.C.A. mailed preprints of the advertisement to its members.

Kaiser Steel prepared a commercial on canned foods for use in its ABC network telecast of the popular western, "Maverick," Sunday, January 25, and supplied advance copies of the announcement, including the language of the script. These were mailed to N.C.A. members, state secretaries, and the canning trade press, in advance, to permit those interested to schedule their listening time. The announcement listed the locations of the 138 nationwide TV stations that carry "Maverick," whose total listening audience is estimated at about 24 million. The script developed the theme of canned foods' superiority as conveyed to peoples of the world through prevalence of these foods in CARE packages. Canned foods flavor and safety are presented as examples of the latest in research and engineering.

Dr. Mahoney Honored

Dr. C. H. Mahoney, Director of the N.C.A. Raw Products Research Bureau, has been elected 1959 president of the Cosmos Club, an organization of world-wide renown, in which membership is limited to men who have done meritorious original work in science, literature, or the fine arts, or who are distinguished by their professional achievements in either of those areas.

N.C.A. Secretary Carlos Campbell is also a member of the Cosmos Club.

REPORTS ON ASSOCIATION ACTIVITIES

Labeling

The principal objective of the N.C.A. labeling program is to encourage better labeling of canned foods through the promotion and development of descriptive labeling and by keeping the industry advised of mandatory labeling requirements.

Under the descriptive labeling plan the uniform use of simple terms meaningful to the consumer which describe the important factors of quality and variety is advocated. These terms are set forth in the manual, *Modern Labels for Canned Foods*. The Labeling Committee is responsible for the development of this plan, and the Manual is maintained and expanded under its direction. The Committee is assisted in the technical phases of the program by the Labeling Advisory Subcommittee whose function is to investigate and develop suitable tests for measuring the characteristics defined by the descriptive terms. Obviously, descriptive terms have not yet been developed for all of the consumer-important characteristics, so work on the development and refinement of the tests and measurements is a continuing task.

During the past year extensive revisions of the Labeling Manual have been prepared and some 80 pages are now awaiting approval by the Committee. Revisions are necessary when descriptive terms are changed or added, when changes are made in federal regulations governing the labeling of foods, and when changes in industry practice so dictate. When revised pages are published they are automatically sent to all known users of the Manual. It is anticipated that the pending revisions will be published during 1959.

The Labeling Advisory Subcommittee is composed of technical personnel from the industry who are qualified by their experience and training to study and evaluate product samples and laboratory analyses of these samples for the purpose of establishing the appropriate definitions and tests for use in the Manual. They are assisted in this work by the personnel of the N.C.A. Laboratories. The group usually meets three times a year to plan future projects and discuss and evaluate results. One of these sessions is devoted to panel examination of product samples where the samples are judged organoleptically for the characteristic under consideration. It is necessary to obtain a high correlation between the panel average for the samples and the objective tests made in the laboratory if the criteria based on such tests are to be recommended for use in the Manual. It is the traditional practice to study a given product for a minimum of three years in order that seasonal variation may be taken into account and so that a sufficient number of samples may be examined. Samples of commercial packs from each of the producing areas are collected so as to be representative of the various varieties and growing conditions normally encountered.

Illustrative of the work on objective measurements is the current study on the maturity of whole kernel corn. Two years' work has now been completed on this project in an effort to redefine the A.I.S. limits for the maturity classifications "Very Young", "Young", and "Nearly Mature". The limits presently in the Manual do not reflect the current quality of the overall industry pack of corn.

During 1957, 154 samples were analyzed in the laboratory and evaluated by panel examination. These samples represented 11 states in the major producing areas. In 1958, 339 samples representing 21 canners and 15 states were examined. If the results are promising the study will be continued in 1959.

Additional activities are performed by the laboratory personnel by way of advising member canners, distributors, and label manufacturers on labeling problems. The majority of the requests on such problems are handled directly by correspondence, while some require consultation with N.C.A. Counsel, the Food and Drug Administration, or state agencies.

Family Income in 1957

Family income in the United States averaged $5,000 in 1957, a gain of 4 percent over the preceding year, according to final estimates based on data collected by the Bureau of the Census.

About 4 million or one-tenth of the nation's 44 million families received incomes of $10,000 or more in 1957, and 18 million or two-fifths of the families had incomes ranging between $5,000 and $10,000. At the other end of the scale, an estimated 6½ million or 15 percent had incomes of less than $2,000, and the remaining 15½ million families were in the $2,000 to $5,000 income range.

Average income of nonfarm families increased by about 3 percent over the previous year, to $5,200, largely because of further increases in wage rates in most industries. This median has been rising steadily since 1945 and was $170 higher than that of 1956 and $2,000 higher than the comparable figure for 1947.

The Census report states that although monetary incomes of nonfarm families increased in 1957, their purchasing power probably did not change because prices rose substantially over the year. However, 1957 was the third consecutive year in which the average purchasing power of nonfarm families appeared to have exceeded significantly the World War II level. The Census report covers money income prior to deductions for taxes.

TABLE OF CONTENTS

	Page
Association Activities	
Report on labeling	22
Business Indicators	
Family income in 1957	22
Congress	
U. S. expenditures for agriculture during fiscal 1959-60 to comprise one of the major items in the federal budget	17
Taxation of cooperatives	18
86th Congress organizes; committees are appointed	18
Farm Program	
Dry beans under USDA support reported above a year ago	19
Marketing	
USDA issues third report on effect of trading stamps	17
Personnel	
Dr. Mahoney honored	21
FDA personnel changes	21
Publicity	
USDA Plentiful Foods List	20
Redbook	20
Parade	20
The American Weekly	20
Institutions magazine	20
Woman's Day magazine	20
McCall's	21
Important publicity given canned foods by steel firms	21
Raw Products	
USDA lists zoning devices to protect agricultural land	19
Costs of aerial spraying	21
Standards	
Meeting on standards for fruit juice drinks	21
Statistics	
Stocks of canned foods on Jan. 1 and season shipments	19
1958 packs of fruit cocktail, fruits for salad, mixed fruits	19
1958 pack of canned peaches	19
1958 pack of canned salmon	19
1958 pack of canned tuna	19